#### IBM REMARKS

# Approved For Release 2005/11/23: CIA-RDP80B01554R003700030001-2

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Mid East War, Energy Crisis, set back in U.S. Economy.

Skepticism - questioning how all going so well with old opponent -

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Assumed Soviet view was same

- U.S. viewpoint - 2 reasons for detente:

Rational - Emotional

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First, Rational

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> vast stocks nuclear weapons on both sides - equals Dangerous situation.

Also, was rational because:

(2) No unfulfilled needs or ambitions that requre competition with Soviets.

Perfectly happy to forego/not take advantage

Even think willing to take calculated risk. Because Do not fear USSR, despite Cold War years.

Partly because: superior militarily and economically all those years.

Partly because: 150 years not attacked/invaded at home.

tradition of having to fight on own soil.

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Second reason - emotional - stemmed from revulsion to Vietnam
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- opportunity to avoid war to step farther back from the threshold of war.
  - alternate use of \$
  - pushed emotionally into detente

Did same conditions exist in Soviet Union?

<u>Emotional</u>? No - public opinion not allowed to give emotional thrust to policy.

Rational? - Reasons - same as ours?

1. Same concern over nuclear stockpiles and hair-trigger.

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- 2. Soviet <a href="homeland invaded">homeland invaded</a> repeatedly. Wary of entrusting future to another's goodwill or intentions.
- 3. Soviets clearly have external ambitions.
  - in part from <a href="ideological belief">ideological belief</a> that until <a href="capitalism suppressed">capitalism suppressed</a> everywhere, it will be aggressive. Threat to Communist Philosophy.
  - in part have external ambitions. Haven't been global power we have in past 30 years.
  - We <u>humiliated</u> them from <u>their point of view</u> in Lebanon-58.

    Cuba & Berlin-62- Real confrontation they backed down.
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Evidence they are striving hard for global power status - Emerging from being the traditional continental power, to a maritime power able to project power around globe - not just ground power across land frontiers. The Soviets are well aware that the successful world powers of recent history have projected their power from a maritime base. Why with these objectives did the Soviets elect to participate in Detente?

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- We wanted to play that game. After all militarily there are only 2 super powers - The Soviets must do the power waltz with us.
- 2. At the same time economically and politically the world has been evolving toward multi-polarity.

Thus, detente opened up some tactical opportunities for the Soviets 
through easing pressure on one front while dealing with China on other.

Musn't forget serious USSR - PRC differences - Easy to forget we are not only focus of Soviet attentions.

 Opened possibilities for solving some domestic problems = for trade and technology.

# Approved For Release 2005/11/23; CIA-RDP80B01554R003700030001-2 Detente means something different to each of us

Without casting accusations of distingenuousness/malevolence/false intent.

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- must expect continued competition with USSR.
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  - did in mid east when going well for Egypt and Syria.

Anaology to faithfulness to wife easy when no opportunity.

We must not provide Soviets opportunities.

In part means continued diplomatic efforts.

In part that means remaining militarily strong, difficult to under-

stand need for strong military in peacetime. Yet military serves diplomatic

function in peacetime. It provides leverage in world affairs and demands

that possible adversaries carefully consider consequences of their actions.

Peacetime deterrence then is a question of the impression our

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On Soviets

On others may be tempted tamper with our interests,

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Even impression friends/allies Approved For Release 2005/11/23 : CIA-RDP80B01554R003700030001-2

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# All these papergyed For Release 2005/11/23 CHA-RDP80B01554R003700030001-2

1. No time to mobilize

Few mass production items anyway -

Even simplest of ships

e.g. electronic components

2. Preparing big war and assuming others lesser included - cases not necessarily best. Admittedly most vital - but least likely. May find pressure has shifted and we could lose by default. Alternative preparing more likely smaller wars and aggregating.

Issue of not letting enemy shift focus of competition.

Whether concentrate on large or small question whether meeting shophisticated enemy does require "best" of everything.

Putting all eggs in one basket dangerous

Aggregate many, less capabile, less flexible units may be greater productivity -

Especially due vulnerability to surprise attack.

4. The best in sophistication also has disadvantages

Lose in reliability and availability what hope to gain in capability

Lose capability because can not train people to operate

Trained manpower areas cost

Industry - Draft

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  - In our military bureaucaracy R&D people don't have many incentives to curb research and development.
     Project managers incentives . . .
  - 2. In industry often need prove some new capability to get

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New tactic or adaptation of something old - not profitable.

Degree to which industry tempted to oversell technology will be a short term benefit

We won't have \$

We won't have people maintain and operate.

- Industry must convince the military to buy only what it needs, not buy because it's the newest, latest technology, etc.
- Some complex equipment will always be needed, but the trend is more toward lo-mix and demand will be more for simple, maintainable equipment. Those companies who have gone that route will prosper in long run.

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## IBM REMARKS (18 March 74/New Orleans)

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### Second reason Approved For Release 2005/11/23; CIA-RDP80B01554R003700030001-2

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Did same conditions exist in Soviet Union?

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- Warfighting -

Hardware

Tactics

Basics of our trade

Morale

- Deterrence -

Phychological

Perceptions

"Mind-reading"

Want to be sure opponents do not mis-read intent - important our capabilities be evident.

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In that regard all are aware of pressures to withdraw forces from overseas bases.

Will place more emphasis on naval forces which can be dispatched - around globe - Premium on numbers of forces -

Lot pressures in opposite direction

- 1. Fixation on big war
   Greatest risk
   Natural tendency of military men
- Idea big war sophisticated enemy demands expensive shophisticated systems
- 3. Cost of sophisticated hardware driving # units downward
- 4. Mobilization philosophy

Have the sophisticated - mass produce rest
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- All these pressure wrong
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